
IV. Other Information

Additional information as of the latest actuarial valuation follows:

	KPERS	KP&F	Judges
Valuation Date	12/31/2013	12/31/2013	12/31/2013
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percent Closed	Level Percent Closed	Level Dollar Closed
Remaining Amortization Period	19 years	19 years	19 years
	Difference between actual return and expected return on market value recognized evenly over five-year period. Value must be within corridor of 80% - 120% of market value.		
Asset Valuation Method			
Actuarial Assumptions:			
Investment Rate of Return (1)	8%	8%	8%
Projected Salary Increases (1)	4.0% - 12.0%	4.0% - 12.5%	4.5%
Cost of Living Adjustment	none	none	none
1) Salary increases and investment rate of return include an inflation component of 3.0 percent.			

Other Retirement Plans

Faculty and other eligible unclassified professional employees of the Board of Regents (Regents) office and State universities must participate in the Regents' mandatory retirement plan. Authorized by statute, this 403(b) defined contribution plan is funded through contributions by the employees and the employer (the Regents office or the State University). Employees are required to serve a one-year waiting period before becoming eligible to participate in the plan, but participation can begin earlier if certain waiver provisions are met. The contributions and earnings are fully vested with the first contribution.

Employees participating in the Regents' mandatory retirement plan are required to contribute 5.5 percent of their salary, up to the maximum dollar amount permitted by the Internal Revenue Code. During fiscal year 2014, employees contributed approximately \$43.5 million. During fiscal year 2014, the 8.5 percent employer contribution totaled approximately \$68.2 million, representing covered wages of approximately \$804 million. These employees, along with employees who participate in the KPERS retirement program, may also elect to participate, up to the maximum dollar amount permitted by the Internal Revenue Code, in the Regents' voluntary retirement plan, which allows the member to purchase a 403(b) contract to supplement the mandatory retirement plan. All employees, as well as student employees, also may elect to participate, up to the maximum dollar amount permitted by the Internal Revenue Code, in the State's 457 deferred compensation program, to supplement their retirement savings.

The retirement plan for the School for the Blind and the School for the Deaf are also covered by KPERS in the 401(a) defined benefit plan. The KPERS employee rate is 4 percent for Tier I members through December 31, 2013 and 5 percent for Tier I members January 1, 2014. Tier II members employee rate is 6 percent. Employer rate is 11.12 percent (10.27 percent employer and 0.85 percent death & disability).

F. Related Party Transactions

The Kansas Legislature annually appropriates state general fund dollars to the Regent Institutions comprising the State University System (University of Kansas, including the University of Kansas Medical School, Kansas State University, Wichita State University, Emporia State University, Pittsburg State University, and Fort Hays State University). During FY 2014 expenditures from these appropriations amounted to \$560.0 million and are recorded within the General fund in the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.

IV. Other Information

These expenditures, along with a corresponding recognition of revenue, are also reported within the State University System in order to accurately reflect all financial activity of the Combining Statement of Activities - Component Units.

G. Subsequent Events

Bonds and Notes

Short-term Debt

Certificate of Indebtedness – On July 1, 2014, the Pooled Money Investment Board (PMIB) issued a \$675 million Certificate of Indebtedness per K.S.A. 75-3725a. See Section III-H, Short-term Obligations, for additional information on issuance of a Certificate of Indebtedness.

Accrued Receivables for Children's Initiatives Fund – In July 2014, receivables were posted to the State Treasurer's receivables for the Children's Initiatives Fund in the amount of \$28.1 million per Senate Bill No. 171, Section 112(h), Session of 2013. See Section III-H, Short-term Obligations, for additional information.

Accrued Receivables for Economic Development Initiatives Fund – In July 2014, receivables were posted to the State Treasurer's receivables for the Economic Development Initiatives Fund in the amount of \$21.3 million per Senate Bill No. 171, Section 112(h), Session of 2013.

Accrued Receivables for Correctional Institutions' Building Fund – In July 2014, receivables were posted to the State Treasurer's receivables for the Correctional Institutions' Building Fund in the amount of \$4.0 million per Senate Bill No. 171, Section 112(j), Session of 2013.

Accrued Receivables for Kansas Endowment for Youth Fund – In July 2014, receivables were posted to the State Treasurer's receivables for the Kansas Endowment for Youth Fund in the amount of \$195 thousand per Senate Bill No. 171, Section 112(k), Session of 2013.

Accrued Receivables for Expanded Lottery Act Revenues Fund – In July 2014, receivables were posted to the State Treasurer's receivables for the Expanded Lottery Act Revenues Fund in the amount of \$86.3 million per Senate Bill No. 171, Section 112(r), Session of 2013.

Long-term Debt

Revenue Bonds – In December 2014, the Sedgwick County Public Building Commission issued Revenue Bonds Series 2014-3 on behalf of the Board of Trustees of Wichita State University in the amount of \$38,895,000, for the purpose of funding, in part, experiential engineering facility. The bonds were issued in a combination of premium and discount bonds with coupons ranging from 3.4% to 5.0% with final maturity on February 1, 2054.

Revenue Bonds – In December 2014, the Sedgwick County Public Building Commission issued Taxable Revenue Bonds Series 2014-4 on behalf of the Board of Trustees of Wichita State University in the amount of \$6,050,000, for the purpose of funding, in part, experiential engineering facility. The bonds were issued as serial bonds ranging from 1.95% to 3.90% with final maturity on February 1, 2054.